

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Central Valley Project, California

CONTRACT No.

14-06-200-700-A

CONTRACT BETWEEN THE UNITED STATES OF AMERICA AND THE
JAMES IRRIGATION DISTRICT PROVIDING FOR WATER SERVICE AND
FOR ADJUSTMENT AND SETTLEMENT OF CERTAIN CLAIMED WATER RIGHTS

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THIS CONTRACT, made this 29th day of December
1963, in pursuance generally of the Act of June 17, 1902 (32 Stat.
388), and acts amendatory thereof or supplementary thereto, all
collectively hereinafter referred to as the Federal reclamation laws,
between THE UNITED STATES OF AMERICA, hereinafter referred to as the
United States, and the JAMES IRRIGATION DISTRICT, hereinafter referred
to as the District, a political subdivision of the State of California,
duly organized, existing, and acting pursuant to the laws thereof,
with its principal place of business in San Joaquin, California,

WITNESSETH, That:

EXPLANATORY RECITALS

WHEREAS, the United States is constructing and operating the
Central Valley Project, California, for the purpose, among others, of
furnishing water for irrigation, municipal, domestic, and other
beneficial uses; and

1 WHEREAS, the United States has constructed the Delta-Mendota
2 Canal which will be operated and used, in part, for the furnishing of
3 water to the District pursuant to the terms of this contract; and

4 WHEREAS, investigations of the District lands and present
5 water supply indicate that irrigated and irrigable lands within the
6 boundaries of the District are at present in need of additional water
7 for irrigation, and that an additional water supply to meet these
8 present and potential needs can be made available by and through the
9 works constructed and to be constructed by the United States; and

10 WHEREAS, the District desires to contract, pursuant to the
11 Federal reclamation laws and the laws of the State of California, for
12 the furnishing by the United States of a supplemental water supply from
13 the Central Valley Project for which the District will make payment to
14 the United States upon the basis, at the rates, and pursuant to the
15 conditions hereinafter set forth; and

16 WHEREAS, the District on behalf of individuals owning lands
17 lying within the District adjacent to Fresno Slough has asserted claims
18 that the construction and operation of the Central Valley Project has
19 interfered with claimed rights in and to the use of the waters of the
20 San Joaquin River by impairing the quantity thereof, and the District
21 is authorized and willing to accept an annual delivery of nine thousand
22 seven hundred (9,700) acre-feet of water from Mendota Pool as an adjust-
23 ment and settlement of these asserted claims; and

1 (a) "Secretary" or "Contracting Officer" shall mean the
2 Secretary of the United States Department of the Interior or
3 his duly authorized representative;

4 (b) "Project" shall mean the Central Valley Project,
5 California, of the Bureau of Reclamation;

6 (c) "Schedule 2 water" shall mean all Project water
7 delivered without charge under the authority of Section 14 of
8 the Reclamation Project Act of 1939 (53 Stat. 1187, 1197) as a
9 permanent adjustment and settlement of the District's asserted
10 claims of rights to water in Fresno Slough tributary to the San
11 Joaquin River;

12 (d) "supplemental water" shall mean all Project water in
13 addition to Schedule 2 water delivered or required to be
14 delivered under the terms and conditions of this contract;

15 (e) "year" shall mean the calendar year;

16 (f) "agricultural use" shall mean use of water primarily
17 in the commercial production of agricultural crops or livestock
18 including domestic use incidental thereto on tracts of land
19 operated in units of more than two (2) acres; and

20 (g) "municipal, industrial, and domestic use" shall mean
21 use of water other than for agricultural use.

1 made by the United States, on or before February 15, and reviewed
2 as frequently thereafter as conditions and information warrant, is
3 equal to or less than three million two hundred thousand (3,200,000)
4 acre-feet, or (2) the total accumulated actual deficiencies below
5 four million (4,000,000) acre-feet in the immediately prior water
6 year or series of successive prior water years, each of which had
7 inflows of less than four million (4,000,000) acre-feet, together
8 with the forecasted deficiency for the current water year, exceed
9 eight hundred thousand (800,000) acre-feet, the United States shall
10 furnish to the District seven thousand six hundred (7,600) acre-feet
11 of Schedule 2 water at times and in quantities called for as provided
12 in subdivision (a) of Article 4 hereof under the following basic table:

3	<u>Month</u>	<u>Quantities (Acre-feet)</u>
14	January	0
15	February	600
16	March	800
17	April	1,000
18	May	1,500
19	June	1,900
20	July	1,400
21	August	300
22	September	100
23	October	0
24	November	0
25	December	0

1 For the purpose of determining (1) and (2) set out above, the computed
2 inflow to Shasta Lake under present upstream development above Shasta
3 Lake shall be used as the full natural inflow to Shasta Lake. In the
4 event that major construction occurs above Shasta Lake after the date
5 of this contract which materially alters the present regimen of the
6 stream systems contributing to Shasta Lake, the computed inflow to
7 Shasta Lake will be adjusted to eliminate the effect of such material
8 alterations. The United States will select the forecast to be used
9 and will submit the details of the forecast to the District. The
10 same forecasts used by the United States for the operation of the
11 Project shall be used to make the forecasts hereunder. Schedule 2
12 water made available by the United States for furnishing to the District
13 in accordance with the aforesaid schedule and not accepted by the
14 District shall be deemed to have been accepted by the District at the
15 time and in the quantities specified in said schedule.

16 (b) Commencing with the year following that in which this
17 contract is executed and each year thereafter during the remainder
18 of the term of this contract, the United States shall furnish to the
19 District and the District shall accept and pay for thirty-five thousand
20 three hundred (35,300) acre-feet of supplemental water from Mendota
21 Pool at the times and in the quantities specified in the schedule
22 submitted by the District in accordance with subdivision (a) of

1 Article 4 hereof; Provided, That the parties hereto may at any time
2 or times by mutual agreement increase or decrease the quantity of
3 supplemental water required thereafter to be furnished each year to
4 the District by the United States during the remaining years of the
5 term of this contract.

6 (c) To the extent that additional Project water is available,
7 as determined by the Contracting Officer, and in the event the District
8 in any year requires a quantity of supplemental water in addition to
9 the quantity it is obligated to accept and pay for, such additional
10 water shall be furnished by the United States in accordance with a
11 schedule revision submitted pursuant to Article 4. The furnishing
12 by the United States and acceptance by the District of such additional
13 quantities of water shall neither entitle nor obligate the District to
receive such quantities in subsequent years.

15 (d) If in any year, after the Contracting Officer has
16 approved a schedule or any revision thereof submitted by the District
17 pursuant to Article 4 hereof, the United States is unable to furnish
18 any portion of supplemental water in the quantities and at the times
19 requested in the schedule and the District does not elect to receive
20 and does not receive such water at other times during such year, the
21 District shall be entitled to an adjustment as provided in Article 6.

TIME FOR DELIVERY OF WATER

1
2 4. (a) Before January 1 of each year the District shall submit a
3 schedule in writing to the Contracting Officer subject to the provisions
4 of Article 3 hereof and satisfactory to the Contracting Officer,
5 indicating the desired times and quantities for the delivery of all
6 water pursuant to this contract during such year. In such schedule
7 or revision thereof, the District may reallocate the quantities of
8 Schedule 2 water for the months of February through June appearing
9 in the applicable table in subdivision (a) of Article 3 hereof so long
10 as the total for such months does not thereby exceed the total for
11 such months in that table. Within the provisions hereof the United
12 States shall attempt to deliver such water in accordance with said
13 schedule or any revision thereof satisfactory to the Contracting
14 Officer submitted by the District within a reasonable time before the
15 desired change of times or quantities, or both, for delivery, subject
16 to the provisions of subdivision (b) of Article 8 hereof; Provided,
17 That the United States shall not be obligated to deliver water to the
18 District during the months of December and January.

19 (b) With the written consent of the Contracting Officer
20 the District may exchange supplemental water in any year with any
21 other district which has contracted with the United States for water
22 for irrigation from the Delta-Mendota Canal or Mendota Pool, or both,

1 of the Central Valley Project. No supplemental water shall be sold
2 or otherwise disposed of for use outside the District without the
3 written consent of the Contracting Officer.

4 RATE AND METHOD OF PAYMENT FOR WATER

5 5. (a) On or before December 15 of each year the Contracting
6 Officer shall furnish to the District written notice of the rate of
7 payment to be made by the District for supplemental water to be
8 delivered pursuant to this contract during the ensuing year, but in
9 no event shall the rate so announced be in excess of Three Dollars
10 and Fifty Cents (\$3.50) per acre-foot.

11 (b) The District shall make payments to the United States
12 each year at the rate fixed as provided in subdivision (a) of this
13 article for the quantity of supplemental water which the District is
14 required to accept and pay for during such year pursuant to the
15 provisions of Article 3 hereof. Prior to the delivery of supplemental
16 water but no later than February 15 the District shall pay one-
17 half (1/2) of the amount payable for said water scheduled for the
18 year and shall pay the remainder of the amount payable for said water
19 at the time the quantity of water furnished to the District equals the
20 quantity for which payment has been made, but in no event later than
21 July 1 or such other later date or dates of the respective year as
22 may be specified by the Contracting Officer in a written notice to

1 the District. Supplemental water requested by the District in excess
2 of the quantity it has scheduled shall be paid for in full at the
3 time or times such requests are made.

4 (c) In event the District is unable, fails, or refuses to
5 accept delivery of the quantities of water available for delivery to
6 and required to be accepted or paid by it pursuant to this contract
7 or in the event the District in any year fails to submit a schedule
8 for delivery as provided in subdivision (a) of Article 4 hereof,
9 said inability, failure, or refusal shall not relieve the District
10 of its obligation to pay for said water and the District agrees to
11 make payment therefor in the same manner as if said water had been
12 delivered to and accepted by it in accordance with this contract.

ADJUSTMENTS

14 6. The amount of any overpayment by the District by reason of
15 the quantity of supplemental water actually available for the District
16 during any year, as conclusively determined by the Contracting Officer,
17 having been less than the quantity of such water which the District
18 otherwise under the provisions of this contract would have been
19 required to receive and pay for shall be applied first to any accrued
20 indebtedness arising out of this contract then due and owing to the
21 United States by the District and any amount of such overpayment then
22 remaining shall, at the option of the District, be refunded to the

1 District or credited upon amounts to become due to the United States
2 from the District under the provisions hereof in the ensuing year.

3 POINTS OF DELIVERY, MAINTENANCE OF FLOWS AND LEVELS,
MEASUREMENT AND RESPONSIBILITY FOR DISTRIBUTION OF WATER

4 7. (a) The water to be furnished to the District pursuant to
5 this contract shall be delivered from Mendota Pool at diversion
6 points mutually agreed upon by the Contracting Officer and the
7 District.

8 (b) All water furnished pursuant to this contract shall be
9 measured by the United States at the points of delivery established
10 pursuant to subdivision (a) of this article with equipment installed,
11 operated, and maintained by the United States. Upon the request of
12 the District the accuracy of such measurements shall be investigated
by the Contracting Officer and any errors appearing therein adjusted.

14 (c) The United States shall not be responsible for the
15 control, carriage, handling, use, disposal, or distribution of water
16 which may be furnished at the delivery points established pursuant
17 to subdivision (a) of this article, nor for claim of damage of any
18 nature whatsoever, including but not limited to property damage,
19 personal injury or death, arising out of or connected with the control,
20 carriage, handling, use, disposal, or distribution of such water beyond
21 such delivery points: Provided, that the United States reserves the
22 right to the use of all waste, seepage, and return-flow water derived

1 from supplemental water furnished to the District hereunder which
2 escapes or is discharged beyond the District's boundaries and nothing
3 herein shall be construed as an abandonment or a relinquishment by the
4 United States of the right to use any such water, but this shall not
5 be construed as claiming for the United States any right, as waste,
6 seepage, or return flow, to water being used pursuant to this contract
7 for surface irrigation or underground storage within the District's
8 boundaries by the District or those claiming by, through, or under
9 the District.

10 (d) The United States may temporarily discontinue or reduce
11 the quantity of water to be furnished to the District as herein provided
12 for the purpose of such investigation, inspection, maintenance, repair,
13 or replacement as may be reasonably necessary of any of the Project
14 facilities used for the furnishing of water to the District or any
15 part thereof, but so far as feasible the United States shall give the
16 District due notice in advance of such temporary discontinuance or
17 reduction, except in case of emergency, in which case no notice need
18 be given. In the event of any such discontinuance or reduction, upon
19 the resumption of service to the extent it may be possible to do so
20 and within the ability of the District to accept the same, the United
21 States shall deliver the quantity of water which would have been
22 furnished to the District in the absence of such contingency.

1 (e) The right to the beneficial use of supplemental water
2 furnished to the District pursuant to the terms of Article 3 and other
3 applicable provisions of this contract and any renewal thereof, insofar
4 as the renewal relates to the furnishing of water for agricultural use,
5 shall not be disturbed so long as the District shall fulfill all of
6 its obligations under this contract and any such renewal.

7 UNITED STATES NOT LIABLE FOR WATER SHORTAGE

8 8. (a) There may occur at times during any year a shortage in
9 the quantity of water available for furnishing to the District through
10 and by means of the Project, but in no event shall any liability accrue
11 against the United States or any of its officers, agents, or employees
12 for any damage, direct or indirect, arising from a shortage on account
13 of errors in operation, drought, or other causes. In any year in
14 which there may occur a shortage from any cause, the United States will
15 furnish Schedule 2 water in accordance with Article 3 hereof and reserves
16 the right to apportion the available supplemental water supply among the
17 District and others entitled under the then existing contracts to receive
18 water from the Delta-Mendota Canal or Mendota Pool, or both, in
19 accordance with conclusive determinations of the Contracting Officer,
20 as follows:

21 (1) A determination shall be made of the total quantity
22 of supplemental water agreed to be accepted during the respective

1 year under all contracts then in force for the delivery of water
2 from the Delta-Mendota Canal or Mendota Pool, or both, the
3 quantity so determined being hereinafter referred to as the
4 contractual commitments;

5 (ii) A determination shall be made of the total
6 quantity of water from the Delta-Mendota Canal or Mendota
7 Pool, or both, which is in excess of the quantity necessary
8 to meet the requirements of the Amended Contract for Exchange
9 of Waters, No. I1r-1144, dated March 17, 1956, and which is
10 available for meeting the contractual commitments, the quantity
11 so determined being hereinafter referred to as the available
12 supply;

13 (iii) The total quantity of supplemental water agreed
14 to be furnished to the District by the United States during the
15 respective year under Article 3 hereof shall be divided by the
16 contractual commitments, the quotient thus obtained being hereinafter
17 referred to as the District's contractual entitlement; and

18 (iv) The available supply shall be multiplied by the
19 District's contractual entitlement and the result shall be the
20 quantity of supplemental water required to be delivered by the
21 United States to the District for the respective year.

1 Insofar as determined by the Contracting Officer to be practicable,
2 in the event a shortage appears probable the United States shall
3 notify the District of such determination in advance of the irrigation
4 season.

5 (b) In the event that in any year there is delivered to
6 the District, by reason of any shortage or apportionment as provided
7 in subdivision (a) of this article or any discontinuance or reduction
8 of service as set forth in subdivision (d) of Article 7 hereof, less
9 than the quantity of supplemental water which the District otherwise
10 would be entitled to receive, there shall be made an adjustment on
11 account of the amounts paid to the United States by the District for
12 water for said year in a manner similar to that provided for in
13 Article 6 hereof. To the extent of such deficiency, such adjustment
14 shall constitute the sole remedy of the District or anyone having or
15 claiming to have by, through, or under the District the right to the
16 use of any of the water supply provided for herein.

17 (c) The rights of the District to supplemental water under
18 this contract are subject to the terms of the Amended Contract for
19 Exchange of Waters, No. Ilr-1144, dated March 17, 1956.

1 the event the District neglects or fails to make such repairs or
2 replacements within a reasonable time as may be necessary to satisfy
3 the operating requirements of the Contracting Officer, the United
4 States may cause the repairs or replacements to be made and the costs
5 thereof charged to the District, which charge the District shall pay
6 to the United States before April 1 of the year following that in
7 which the cost was incurred and a statement thereof furnished by the
8 United States.

9 (d) The District shall maintain, in a manner satisfactory
10 to the Contracting Officer, records of the quantity of supplemental
11 water furnished for use pursuant to subdivision (a) of this article
12 and shall submit a report to the United States before the 7th day
13 of each month following the month in which water is so furnished
14 showing the quantities of water used.

15 (e) It is understood and agreed that use of water pursuant
16 to this article shall not be construed in any manner as to constitute
17 a right or commitment during the term of this contract or any renewal
18 thereof for delivery of water in addition to that provided pursuant
19 to Article 3 hereof.

20 QUALITY OF WATER

21 10. (a) The quality of water furnished under this contract shall
22 be the best that the United States, following its established operating

1 procedures, can deliver by means of the Delta-Mendota Canal and shall
2 be at all times suitable irrigation water for use upon the lands
3 served by the District. The fact that the requirements of such water
4 quality are herein stated only in terms of parts per million of total
5 dissolved solids should not be construed as meaning that this
6 particular measurement of water quality is the sole indication of
7 requisite water quality. The best data presently available on the
8 character of the possible sources of water supplying the Delta-Mendota
9 Canal indicate that as concentration changes there will be no signi-
10 ficant change in the character of the water with respect to the
11 proportions of the various constituents; however, if such water meets
12 the following specific requirements it shall be deemed conclusively
13 to be suitable irrigation water hereunder:

14 (1) Daily: The quality of water shall not exceed
15 a mean daily value of eight hundred (800) parts per million
16 of total dissolved solids. The mean daily values are to be
17 computed by weighting the instantaneous values on the basis
18 of time of occurrence during each day;

19 (11) Monthly: The quality of water shall not exceed
20 a mean monthly value of six hundred (600) parts per million of
21 total dissolved solids. The mean monthly value is to be computed

1 by weighting each mean daily value of total dissolved solids
2 on the basis of the quantity of water delivered each day of
3 the month;

4 (iii) Annual: The quality of water shall not exceed
5 a mean annual value during the year of four hundred and fifty
6 (450) parts per million of total dissolved solids. The mean
7 annual value is to be computed by weighting each mean daily
8 value of total dissolved solids on the basis of quantity of
9 water delivered each day of the year; and

10 (iv) Five-year: The average quality of water for
11 any five (5) consecutive years shall not exceed a mean value
12 of four hundred (400) parts per million of total dissolved
13 solids. The 5-year average shall be computed by weighting
14 each mean daily value of total dissolved solids on the basis
15 of quantity of water delivered each day of the five (5)
16 consecutive years ending with the current year.

17 (b) The quality of water delivered from the San Joaquin
18 River shall be determined at the present location of the Whitehouse
19 gaging station, and from the Delta-Mendota Canal shall be measured
20 by a salinity recorder as presently installed in said Canal. The
21 quality determination made at said gaging station and the rating of
22 said recorder shall be from bottle samples taken twice each month

1 from which total dissolved solids will be determined by chemical
2 analysis. When water is being delivered from the Delta-Mendota Canal
3 and from the San Joaquin River simultaneously, the quality of all
4 water so delivered shall be determined by computing the weighted
5 average quality of all water so delivered. All quality determinations
6 shall be made by the Contracting Officer.

7 DRAINAGE STUDIES AND FACILITIES

8 11. To aid in determining the source and solution of future
9 potential drainage problems the District shall, in a manner satis-
10 factory to the Contracting Officer, maintain a grid of observation wells
11 and shall furnish annually to the Contracting Officer during the term
12 of this contract and any renewal thereof records and analyses of well
13 readings as they relate to potential drainage problems. When a con-
14 tinuing rise in the ground water indicates the need therefor, the
15 District shall construct drainage works to protect the irrigability
16 of lands within the District.

17 WATER RIGHTS SETTLEMENT

18 12. Neither the District nor any landowner therein shall divert,
19 dispose of, or otherwise use San Joaquin water under any claims of
20 water rights so long as the United States delivers or is ready, able,
21 and willing to deliver to the District Schedule 2 water in accordance
22 with the terms of this contract. Performance by the United States

1 of its obligations hereunder with respect to the delivery of Schedule 2
2 water shall release the United States from liability with respect
3 to such claims.

4 ACCESS TO FRESNO SLOUGH

5 13. To the extent the District has the power to grant such use, the
6 United States may use the roads within the boundaries of the District
7 as the same may exist from time to time for ingress and egress to and
8 from Fresno Slough.

9 CHARGES A GENERAL OBLIGATION--LEVIES THEREFOR

10 14. (a) The District as a whole is obligated to pay to the
11 United States the charges becoming due as provided in this contract
12 notwithstanding the default in the payment to the District by individual
13 water users of assessments, tolls, or other charges levied by the
14 District.

15 (b) The District will cause to be levied and collected all
16 necessary assessments, tolls, and other charges, and will use all of
17 the authority and resources of the District to meet its obligations
18 hereunder.

19 ALL BENEFITS CONDITIONED UPON PAYMENT

20 15. Should any assessment or assessments required by the terms
21 of this contract and levied by the District against any tract of land
22 or water user in the District and necessary to meet the obligations

1 of the District thereunder be judicially determined to be irregular
2 or void, or should the District or its officers be enjoined or
3 restrained from making or collecting any assessments upon such land
4 or from such water user as provided for herein, then such tract shall
5 have no right to any supplemental water furnished to the District
6 pursuant to this contract, and no supplemental water made available
7 by the United States pursuant hereto shall be furnished for the
8 benefit of any such lands or water users, except upon the payment by
9 the landowner of his assessment or a toll charge for such water,
10 notwithstanding the existence of any contract between the District and
11 the owner or owners of such tract. Contracts, if any, between the
12 District and the water users involving supplemental water furnished
13 pursuant to this contract shall provide that such use shall be subject
14 to the terms of this contract. It is further agreed that the payment
15 of charges at the rate and upon the terms and conditions provided for
16 herein is a prerequisite to the right to the use of supplemental water
17 furnished to the District pursuant to this contract, and no irregularity
18 in levying taxes or assessments by the District nor lack of authority
19 in the District, whether affecting the validity of District taxes
20 or assessments or not, shall be held to authorize or permit any
21 water user of the District to demand supplemental water made available

1 pursuant to this contract, unless charges at the rate and upon the
2 terms and conditions provided therefor by the District have been
3 paid by such water user.

4 REFUSAL OF WATER IN CASE OF DEFAULT

5 16. No supplemental water shall be furnished to the District or
6 by the District to or for the use of any lands or parties therein during
7 any period in which the District may be in arrears in the advance payment
8 of charges accruing under this contract. No supplemental water shall be
9 furnished to or by the District pursuant to this contract for lands or
10 parties which are in arrears in the payment to the District of any
11 assessments, rates, tolls, or rental charges of the District levied or
12 established by the District and necessary for the purpose of raising
13 revenues to meet the payment by the District to the United States of
14 the District's obligation under this contract.

15 PENALTY FOR DELINQUENT PAYMENTS

16 17. The District shall pay a penalty on installments or charges
17 which become delinquent computed at the rate of one-half of one percent
18 per month of the amount of such delinquent installments or charges
19 for each day from the date of such delinquency until paid: Provided,
20 That no penalty shall be charged to the District unless such delinquency
21 continues for more than thirty (30) days.

1 LANDS NOT TO RECEIVE WATER FURNISHED TO DISTRICT BY UNITED STATES
2 UNTIL OWNERS THEREOF EXECUTE CERTAIN CONTRACTS

3 20. (a) No supplemental water made available pursuant to this
4 contract shall be furnished to any excess lands as defined in Article 22
5 hereof unless the owners thereof shall have executed valid recordable
6 contracts in form prescribed by the United States, agreeing to the
7 provisions of this article and Articles 21 and 22 of this contract;
8 agreeing to the appraisal provided for in Article 21 hereof and that
9 such appraisal shall be made on the basis of the actual bona fide
10 value of such lands at the date of the appraisal without reference
11 to the construction of the Project, all as hereinafter provided, and
12 agreeing to the sale of such excess lands under terms and conditions
13 satisfactory to the Secretary and at prices not to exceed those fixed
14 as hereinafter provided. No sale of any excess lands shall carry the
15 right to receive supplemental water made available pursuant to this
16 contract unless and until the purchase price involved in such sale is
17 approved by the Contracting Officer and upon proof of fraudulent repre-
18 sentation as to the true consideration involved in such sales, the
19 United States may instruct the District by written notice to refuse
20 to furnish any supplemental water subject to this contract to the
21 land involved in such fraudulent sales, and the District thereafter
shall not furnish said water to such lands.

1 (b) If supplemental water furnished to the District pursuant
2 to this contract reaches the underground strata of excess land owned
3 by a large landowner, as defined in subdivision (a) of Article 22
4 hereof, who has not executed a recordable contract and the large
5 landowner pumps such supplemental water from the underground, the
6 District will not be deemed to have furnished such water to said lands
7 within the meaning of this contract if such water reached the under-
8 ground strata of the aforesaid excess land as an unavoidable result
9 of the furnishing of supplemental water by the District to nonexcess
10 lands or to excess lands with respect to which a recordable contract
11 has been executed.

12 VALUATION AND SALE OF EXCESS LANDS

13 21. (a) The value of the excess irrigable lands within the
14 District held in private ownership of large landowners as defined in
15 the next succeeding article hereof, for the purposes of this contract,
16 shall be appraised in a manner to be prescribed by the Secretary. At
17 the option of a large landowner, however, the value of such land may
18 be appraised, subject to the approval thereof by the Secretary, by
19 three appraisers. One of said appraisers shall be designated by the
20 Secretary and one shall be designated by the District and the two
21 appraisers so appointed shall name the third. If the appraisers
22 so designated by the Secretary and the District are unable to agree

1 upon the appointment of the third, the Presiding Justice of the
2 Fifth District Court of Appeal of the State of California shall be
3 requested to designate the third appraiser.

4 (b) The following principles shall govern the appraisal:

5 (i) No value shall be given such lands on account of
6 the existing or prospective possibility of securing supplemental
7 water from the Project;

8 (ii) The value of improvements on the land at the
9 time of said appraisal shall be included therein, but also shall
10 be set forth separately in such appraisal.

11 (c) The excess land of any large landowner shall be reappraised
12 at the instance of the United States or at the request of said landowner.
13 The cost of the first two appraisals of each tract of excess land shall
14 be paid by the United States. The cost of each appraisal thereafter
15 shall be paid by the party requesting such appraisal.

16 (d) Any improvements made or placed on the appraised land
17 after the appraisal hereinabove provided for prior to sale of the land
18 by a large landowner shall be appraised in like manner.

19 (e) Excess irrigable lands sold by large landowners within
20 the District shall not carry the right to receive supplemental water
21 made available pursuant to this contract for such lands and the District
22 agrees to refuse to furnish such water to lands so sold until, in

1 addition to compliance with the other provisions hereof, a verified
2 statement showing the sale price upon any such sale shall have been
3 filed with the District and said sale price is not in excess of the
4 appraised value fixed as provided herein.

5 (f) The District agrees to take all reasonable steps requested
6 by the Contracting Officer to ascertain the occurrence and conditions of
7 all sales of irrigable land of large landowners in the District made
8 subsequent to the execution of this contract and to inform the United
9 States concerning the same.

10 (g) A true copy of this contract, of each recordable contract
11 executed pursuant to this article and Articles 20 and 22 hereof, and of
12 each appraisal made pursuant thereto shall be furnished to the District
13 by the United States and shall be maintained on file in the office of
14 the District and like copies in such offices of the Bureau of Reclamation
15 as may be designated by the Contracting Officer and shall be made avail-
16 able for examination during the usual office hours by all persons who
17 may be interested therein.

18 EXCESS LANDS

19 22. (a) As used herein the term "excess land" means that part
20 of the irrigable land within the District in excess of one hundred and
21 sixty (160) acres held in the beneficial ownership of any single person;
22 or in excess of three hundred and twenty (320) acres held in the

1 beneficial ownership of husband and wife jointly, as tenants in common
2 or by the entirety, or as community property. The term "large land-
3 owner" means an owner of excess lands and the term "nonexcess land"
4 means all irrigable land within the District which is not excess land
5 as defined herein.

6 (b) Each large landowner as a further condition precedent
7 to the right to receive supplemental water made available pursuant to
8 this contract for any of his excess land shall:

9 (1) Before any supplemental water is furnished by the
10 District to his excess land, execute a valid recordable contract
11 in form prescribed by the United States, agreeing to the provisions
12 contained in this article and Articles 20 and 21 hereof and agreeing
13 to dispose of his excess land in accordance therewith to persons
14 who can take title thereto as nonexcess land as herein provided
15 and at a price not to exceed the approved, appraised value of
16 such excess land and within a period of ten (10) years after the
17 date of the execution of said recordable contract and agreeing
18 further that if said land is not so disposed of within said
19 period of ten (10) years, the Secretary shall have the power
20 to dispose of said land at the appraised value thereof fixed
21 as provided herein or such lower price as may be approved by
22 the owner of such land, subject to the same conditions on behalf

1 of such large landowner; and the District agrees that it will
2 refuse to furnish said water to any large landowner other than
3 for his nonexcess land until such owner meets the conditions
4 precedent herein stated;

5 (ii) Within thirty (30) days after the date of notice
6 from the United States requesting such large landowner to designate
7 his irrigable lands within the District which he desires to
8 designate as nonexcess lands, file in the office of the District,
9 in duplicate, one copy thereof to be furnished by the District
10 to the Bureau of Reclamation, his written designation and description
11 of lands so selected to be nonexcess land and upon failure to do
12 so the District shall make such designation and mail a notice
13 thereof to such large landowner, and in the event the District
14 fails to act within such period of time as the Contracting Officer
15 considers reasonable, such designation will be made by the Contracting
16 Officer, who will mail a notice thereof to the District and the
17 large landowner. The large landowner shall become bound by any
18 such action on the part of the District or the Contracting Officer
19 and the District will furnish said water only to the land so
20 designated to be nonexcess land. A large landowner may, with
21 the consent of the Contracting Officer, designate land other
22 than that previously designated as nonexcess land: Provided,

1 That an equal acreage of the land previously designated as non-
2 excess shall, upon such new designation, become excess land
3 thereafter subject to the provisions of this article and Articles 20
4 and 21 of this contract and shall be described in an amendment
5 of such recordable contract as may have been executed by the large
6 landowner in the same manner as if such land had been excess land
7 at the time of the original designation.

8 AMENDMENT OF FEDERAL RECLAMATION LAWS

9 23. In the event that the Congress of the United States repeals
10 the so-called excess-land provisions of the Federal reclamation laws,
11 Articles 20, 21, and 22 of this contract will no longer be of any
12 force or effect, and, in the event that the Congress amends the excess-
13 land provisions or other provisions of the Federal reclamation laws,
14 the United States agrees, at the option of the District, to negotiate
15 amendments of appropriate articles of this contract, all consistently
16 with the provisions of such repeal or amendment.

17 WATER ACQUIRED BY DISTRICT OTHER THAN FROM THE UNITED STATES

18 24. (a) Supplemental water furnished pursuant to the terms of
19 this contract may be transported by means of the same distribution
20 facilities as Schedule 2 water and other water now available or which
21 may become available to the District or landowners within the District
22 other than pursuant to the terms of this contract for the reason that

1 the Contracting Officer has determined that such mingling is neces-
2 sary to avoid a duplication of facilities; notwithstanding such mingling
3 of water, the provisions of this contract relating to supplemental
4 water shall be applicable to the quantity of supplemental water furnished
5 to the District pursuant to the terms hereof, but such mingling of water
6 shall not in any manner subject to the provisions of this contract
7 relating to supplemental water any Schedule 2 water or any other quantity
8 of water acquired by or available to the District or landowners within
9 the District other than from the United States.

10 (b) With respect to the distribution facilities or portions
11 thereof in which mingling is permitted as provided in subdivision (a)
12 hereof, the District:

13 (1) Will be responsible for the operation and maintenance
14 of separate outlets from the distribution system for nonexcess and
15 excess lands as defined in Article 22 hereof. At the request of
16 the Contracting Officer, the District will be responsible for
17 the installation, operation, and maintenance of water-measuring
18 equipment at delivery points to excess lands and, further, will
19 be responsible for the installation, operation, and maintenance
20 of similar equipment for measuring the water available to the
21 District or landowners within the District other than supplemental
22 water and the Contracting Officer may check and inspect said
3 equipment at any time;

1 (ii) Agrees that the quantity of supplemental water
2 furnished to it by the United States during each 24-hour period
3 will be delivered by the District only to eligible land through
4 aforesaid outlets to eligible lands. The District shall be deemed
5 to be in breach of this article and Articles 20, 21, and 22 of
6 this contract if at any time there is furnished to all excess
7 lands not covered by recordable contracts and served by the
8 distribution facilities or portions thereof in which mingling
9 is permitted, a quantity of water which is greater than the
10 Schedule 2 water and that which the District or landowners within
11 the District have introduced into said system from the supply
12 available other than pursuant to this contract. For purposes of
13 this article only, the quantity of Schedule 2 water for each 24-hour
14 period in any month shall be derived by dividing the Schedule 2
15 water for that month by the number of days in that month: Provided,
16 That in August and September the District may schedule releases
17 in specific quantities of supplemental water and Schedule 2 water
18 within the entitlements for each month.

19 CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

20 25. The expenditure of any money or the performance of any work
21 by the United States hereunder which may require appropriation of money
22 by the Congress or the allotment of funds shall be contingent upon such

1 appropriation or allotment being made. The failure of the Congress so
2 to appropriate funds or the absence of an allotment of funds shall not
3 relieve the District from any obligations then accrued under this
4 contract and no liability shall accrue to the United States in case
5 such funds are not appropriated or allotted.

6 OFFICIALS NOT TO BENEFIT

7 26. (a) No Member of or Delegate to Congress or Resident
8 Commissioner shall be admitted to any share or part of this contract or
9 to any benefit that may arise herefrom, but this restriction shall not
10 be construed to extend to this contract if made with a corporation or
11 company for its general benefit.

12 (b) No official of the District shall receive any benefit
13 that may arise by reason of this contract other than as a landowner
14 within the District and in the same manner as other landowners within
15 the District.

16 NOTICES

17 27. (a) Any notice authorized or required to be given to the
18 United States shall be deemed to have been given when mailed, postage
19 prepaid, or delivered to the Regional Director, Region 2, Bureau of
20 Reclamation, Post Office Box 2511, Sacramento, California. Any notice
21 authorized or required to be given to the District shall be deemed to
22 have been given when mailed in a postage-prepaid or franked envelope,

1 or delivered to the James Irrigation District, Post Office Box 787,
2 San Joaquin, California. This article shall not preclude the effective
3 service of any such notice or announcement by other means.

4 (b) The designation of the addressee or the address given
5 above may be changed by notice given in the same manner as provided in
6 this article for other notices.

7 ASSIGNMENT LIMITED--SUCCESSORS AND ASSIGNS OBLIGATED

8 28. The provisions of this contract shall apply to and bind the
9 successors and assigns of the parties hereto, but no assignment or
10 transfer of this contract or any part or interest therein shall be
11 valid until approved by the Secretary.

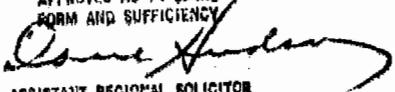
12 REMEDIES UNDER CONTRACT NOT EXCLUSIVE--WAIVERS

13 29. Nothing contained in this contract shall be construed as in
14 in any manner abridging, limiting, or depriving the United States
15 of any means of enforcing any remedy, either at law or in equity, for
16 the breach of any of the provisions hereof which it would otherwise
17 have. Any waiver at any time by either party to this contract of its
18 rights with respect to a default, or any matter arising in connection
19 with this contract, shall not be deemed to be a waiver with respect
20 to any subsequent default or matter.

1 of Directors and of the District leading up to and including the
2 making of this contract and the validity of the provisions thereof;
3 and this contract shall not be binding on the United States until
4 said District organization, proceedings, and contract shall have been
5 so confirmed by a court of competent jurisdiction or pending appellate
6 action in any court if ground for appeal be laid: Provided, That
7 nothing herein contained shall require the District to assume the
8 responsibility of prosecuting judicial review beyond the highest court
9 of the State of California.

10 IN WITNESS WHEREOF, the parties hereto have executed this
11 contract the day and year first above written.

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APPROVED AS TO LEGAL
FORM AND SUFFICIENCY

ASSISTANT REGIONAL SOLICITOR
DEPARTMENT OF THE INTERIOR

THE UNITED STATES OF AMERICA

By 
Regional Director, Region 2
Bureau of Reclamation

JAMES IRRIGATION DISTRICT

(SEAL) Effixed

By 
President

ATTEST:

Secretary

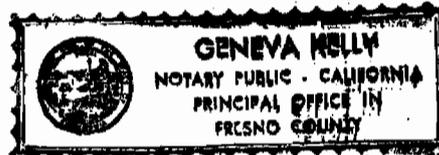
STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.

On this 23rd day of December, 1963, before me, GENEVA KELLY, a Notary Public in and for said county and state, residing therein, duly commissioned and sworn, personally appeared R. J. PAFFORD, JR., known to me to be the Regional Director, Region 2, Bureau of Reclamation, Department of the Interior of THE UNITED STATES OF AMERICA, which executed the within CONTRACT PROVIDING FOR WATER SERVICE AND FOR ADJUSTMENT AND SETTLEMENT OF CERTAIN CLAIMED WATER RIGHTS, and known to me to be the person who executed the within contract on behalf of The United States of America, and acknowledged to me that The United States of America executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Geneva Kelly

My Commission Expires:
June 11, 1965



* * *

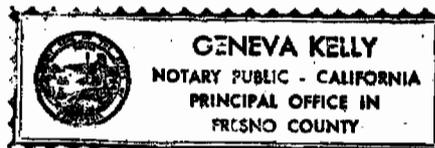
STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.

On this 23rd day of December, 1963, before me, GENEVA KELLY, a Notary Public in and for said county and state, residing therein, duly commissioned and sworn, personally appeared Harold Hale, known to me to be the President, and Don A. Wright, known to me to be the Secretary of JAMES IRRIGATION DISTRICT, the district that executed the within CONTRACT PROVIDING FOR WATER SERVICE AND FOR ADJUSTMENT AND SETTLEMENT OF CERTAIN CLAIMED WATER RIGHTS, and known to me to be the persons who executed the within contract on behalf of the district therein named, and acknowledged to me that such district executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.

Geneva Kelly

My Commission Expires:
June 11, 1965



RESOLUTION
OF THE BOARD OF DIRECTORS OF
JAMES IRRIGATION DISTRICT
APPROVING AND AUTHORIZING EXECUTION
OF CONTRACT WITH THE UNITED STATES OF
AMERICA PROVIDING FOR WATER SERVICE
AND ADJUSTMENT AND SETTLEMENT
OF CERTAIN CLAIMED WATER RIGHTS

WHEREAS, the James Irrigation District is in need of supplemental irrigation water for the lands served by the District and in need of a more reliable and regular source of delivery of irrigation waters to the District than now exists, all over and above and in addition to the ground water sources of supply available to the District by pumping; and

WHEREAS, the irrigation water rights of the District on the Kings River and the storage thereof are in amounts irregular and inconsistent annually and impracticable of efficient delivery to the District; and

WHEREAS, the United States has offered to supply to the said District, for a period of forty (40) years, supplemental water, in more regular and consistent amounts annually, at a reasonable price, partly in lieu of the District's Kings River supplies and partly in supplement to the entire District water resources; and

WHEREAS, concurrently herewith, the District is renting to other entities on the Kings River, for a period of forty (40) years, the Kings River water and storage rights of the District, for the same price and terms being offered by the United States, but for quantities of said Kings River water rights undiminished by the losses of delivery incurred by this District when using same; and

WHEREAS, the District and lands therein has heretofore had certain riparian rights on the San Joaquin River, which the United States desires to acquire permanently and divert elsewhere and, in exchange therefor, the United States offers to provide free an equivalent annual supply of water at the Mendota Pool, adjacent to the District, and a permanent exchange of water rights; and

WHEREAS, the electorate of this District has approved that certain contract offered by the United States providing for said supplemental water and said exchange of water rights,

which is entitled as follows:

CONTRACT BETWEEN THE UNITED STATES OF AMERICA
AND THE JAMES IRRIGATION DISTRICT PROVIDING FOR
WATER SERVICE AND FOR ADJUSTMENT AND SETTLEMENT
OF CERTAIN CLAIMED WATER RIGHTS. R.O. Draft
11/4-1963, Rev. W.O. 11/15-1963;

and

WHEREAS, the California Districts Securities
Commission has also approved the execution of said proposed
contract with the United States, by the James Irrigation
District; and

WHEREAS, it appears to be in the best interests of
the District to enter into and execute said contract,

NOW, THEREFORE, BE IT RESOLVED: That the President
and Secretary of this Board be, and they are hereby authorized
and instructed to execute, on behalf of said District, that
certain contract above described with the United States Depart-
ment of the Interior Bureau of Reclamation, and to affix the
seal of the District thereto, and to deliver such executed
contract to the Contracting Authority for the United States
for their concurrent execution thereof on behalf of the United
States.

PASSED AND ADOPTED this 16th day of December, 1963,
by the following vote, to-wit:

AYES: Three

NOES: None

ABSENT: Two

--- ooo ---

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly appointed, qualified and acting Secretary of James Irrigation District and that the foregoing Resolution was duly adopted at a meeting of the Board of Directors of this Company duly and regularly held at San Joaquin, California, on the 16th day of December, 1963, at which time a quorum of said Board of Directors was at all times present and acting; and that said Resolution has not been rescinded or amended, in whole or in part, but remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said District this 18th day of December, 1963.



Donald Wright, Secretary of
James Irrigation District.